

2.0 Eligibility/Certification

Effective Date: DRAFT

2.04 Income Determination

PURPOSE: To outline the requirements for income eligibility in the WIC Program.

A. POLICY

1. Each local agency shall verify income and adjunct (DHS Program enrollment, i.e., Medicaid/Healthy Kids, Food Stamps, Family Independence Program) eligibility of applicants/clients at each certification based on the applicant's/client's family size and income. (See Policy 2.06 Adjunct Income Eligibility and 2.08 Family Size)
2. Applicants or members of families enrolled in identified eligible programs are required to make a verbal declaration of income, (for reporting purposes only) as well as provide documentation of enrollment (See Policy 2.06 Adjunct Income Eligibility).
3. Income shall be documented at each certification. One of the following forms of documentation is required (see Policy Statement #13 -Income Sources):
 - a. Recent pay/check stub(s).
 - b. W-2 form or copy of the most current Federal income tax form (1040) filed.
 - c. Written verification such as a notarized statement, court order, etc., that confirms a person's cash income.
 - d. Self-declaration of income is allowed:
 - When an applicant is income eligible based on enrollment in a state or federally funded program (adjunctively income eligible) that determines income to be not more than 185% of poverty level.
 - Migrant workers
 - Homeless persons who cannot provide proof of income.
 - Where applicant's family works for cash and has no verifiable proof of income available.

Note: Clients with self-declared income who are not adjunctively income eligible must sign a No Proof of Income Attestation form.

4. If an applicant possesses proof of income but did not bring it to the certification appointment, he/she shall be certified. This will be considered a "short certification" (See 2.17 Certification Periods). In this instance, benefits may be issued for 30 days. Proof of income must be presented to the clinic within the 30-day period for further benefits to be issued.
5. For those individuals who report no income, their signature on the Client Agreement provides attestation of no income. (See Policy 2.07 Declaration of No Income)

6. Each local agency shall implement the policy for income eligibility determination based on the most current income guidelines as announced by the State Agency. (See Policy 2.05 Income Guidelines)
7. Applicants found ineligible for the WIC Program because economic criteria are not met, shall be given a written Notice of Ineligibility along with an explanation of their right to a Fair Hearing. (See Policy 2.20 Notice of Ineligibility, Mid-Certification, Termination and Expiration of Certification)
8. Infants receiving an Infant Health/Nutrition Evaluation shall not have income verified.
9. Transferring clients who have current proof of WIC Program eligibility do not need income verified or documented until their next certification.
10. Members of families who are migrant farmworkers shall have income determined once every 12 months. (See Policy 2.12 Migrant Family Eligibility)
11. A family's gross income cannot be reduced for any reason, including hardships, high medical bills, or childcare payments, etc.
12. The local agency may consider the family's income
 - Over the past twelve months (annual)
 - The previous calendar year (most current IRS-1040 form filed)
 - The family's current (past month or past week) rate of income

to determine which the best indicator of income is as long as the method selected is documented.

Temporary Low Income: Income that is below a family's normal level due to infrequency or irregularity of employment. Families who may qualify for this category may include but are not limited to construction workers, farmers, seasonal agricultural farmworkers, self-employed persons, strikers, unemployed, and persons on extended leave due to illness or childbirth.

13. **Income Sources:** Income to be considered in the determination of economic eligibility includes the following:
 - a. Monetary compensation for services, including wages (with overtime), salary, commissions, or fees. Verify by having the applicant show a pay stub or a W-2 or an IRS 1040 tax form, line 7.
 - b. Military pay- Refer to 2.04 A Income Eligibility Requirement-Military Pay for calculating military pay.

- c. Net income from farm and non-farm self-employment. Verify by having the applicant show Farm Income and Expenses IRS form 1040, schedule F or Profit or Loss from Business, IRS form 1040, Schedule C.
- d. Social Security benefits. Verify by having the applicant show a current statement of benefits from their social security office.
- e. Dividends or interest on savings or bonds, income from estates or trust, or net rental income. Verify dividend or interest income by having the applicant show IRS form 1040, line 8 or 9 and "Schedule B", if applicable. Verify income from estates, trusts or net rental income by having the applicant show IRS form 1040, line 17 and "Schedule E".
- f. Public assistance or welfare payments. Verify the applicant's or any applicable member of the family's eligibility for the public assistance or welfare program by verifying current Medicaid/Healthy Kids, Food Stamp or FIP enrollment (See Policy 2.06 Adjunct Income Eligibility). Record the verbal declaration of income, annualized.
- g. Unemployment compensation (including Supplemental Unemployment Benefits/SUB pay). Verify by having the applicant show the Michigan Unemployment Agency's Notice of Determination UA 1575 or Notice of Redetermination UA 1306 - Weekly Benefit rate or a check stub indicating the amount of unemployment or SUB pay benefits received or IRS form 1040, line 20.
- h. Government civilian employee or military retirement or pensions or veterans' payments. Verify government pension, civilian or veteran's payments by having the applicant show a letter from the appropriate office indicating the amount received and the frequency of payment or IRS form 1040, line 17.
- i. Private pensions or annuities. Verify by having the applicant show IRS form 1040, line 16a.
- j. Alimony or child support payments. Child support payments are considered as income for the family with whom the child lives. Verify by having the applicant show a copy of the court order indicating the amount. The frequency of payment can be determined from check stubs or Friend of the Court statements.
- k. Regular contributions from persons not living in the household. Verify by having the applicant show a statement indicating the amount and frequency of payment from the contributor.
- l. Net royalties. Verify by having the applicant show IRS form 1040, "Schedule E".

- m. Other cash income. Other cash income includes, but is not limited to, cash amounts received or withdrawn from any source including savings, investments, trust accounts and other resources, which are readily available to the family. Verify by having the applicant show a statement indicating the amount and frequency of payment from the source from which the cash is coming. This category includes income derived on a regular basis (e.g., baby sitting) or on a one-time basis (e.g., lottery winnings).

14. **Income Exclusions:** Income not to be considered in determining economic eligibility includes but is not limited to the following:

- a. Basic allowance for housing received by military services personnel residing off military installations or in privatized housing, whether on or off-base (See 2.04A Income Eligibility Requirement-Military Pay)
- b. Cost of living allowance provided under 37 U.S.C. 405, to a member of a uniformed service who is on duty outside the contiguous states of the United States. (See 2.04A Income Eligibility Requirement-Military Pay)
- c. The value of inkind housing and other inkind benefits.
- d. Loans, not including amounts to which the applicant has constant or unlimited access.
- e. Payments of benefits provided under the following Federal programs or acts are excluded from consideration as income by legislative prohibition. The payments or benefits that must be excluded from income consideration include:
 - i. Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 91-646, Sec. 216, 42 U.S.C. 4636).
 - ii. Any payments to volunteers under Title I (Vista and others) and Title II (RSVP, foster grandparents, and others) of the Domestic Volunteer Service Act of 1973. (Public Law 93-113, Sec. 404(g)).
 - iii. Payments of volunteers under Section 8(b)(1)(B) of the Small Business Act (SCORE and ACE) (Public Law 95-510, Sec 101).
 - iv. Income derived from certain submarginal land of the United States, which is held in trust for certain Indian Tribes (Public Law 94-114, Sec.6).
 - v. Payments received under the Job Training Partnership Act (Public Law 97-300, Section 142[b]).
 - vi. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Public Law 94-540, Sec.6).

- vii. Payments received under the Alaska Native Claims Settlement Act (Public Law 100-241, sec 15).
 - viii. The value of assistance to children or their families under the National School Lunch Act as amended, (Pub. L. 94-105, sec. 9 (d), 42 U.S.C. sec. 1760 (e), the Child Nutrition Act of 1966 (Pub. L. 89-642, sec. 11 (b), 42 U.S.C. sec. 1780 (b)), and the Food Stamp Act of 1977 (Pub. L. 95-113, sec 1301, 7 U.S.C. sec. 2017[b]).
 - ix. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (Pub. L. 95-433, sec. 2, 25 U.S.C. 609c-1)
 - x. Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420, sec 6, 9 (c))
 - xi. Payments under the Low-income Home Energy Assistance Act, as amended (Public Law 99-125, sec. 504 (c)).
 - xii. Student financial assistance received from any program funded in whole or part under Title IV of the Higher Education Act of 1965, including the Pell Grant, Supplemental Educational Opportunity Grant, State Student Incentive Grants, National Direct Student Loan, PLUS, College Work Study, and Byrd Honor Scholarship programs, which is used for costs described in section 472 [1] and [2] of that Act (Public Law 99-498, sec 479B, 20 U.S.C. 1087uu).
- The specified costs set forth in section 472 [1] and [2] of the Higher Education Act are tuition and fees normally assessed a student carrying the same academic workload as determined by the institution, including the costs for rental or purchase of any equipment, materials or supplies required of all students in the same course of study; and an allowance for books, supplies, transportation, and miscellaneous personal expenses for a student attending on at least a half time basis. Costs do not include room and board and dependent care expenses.
- xiii. Payments under the Disaster Relief Act of 1974, as amended by the Disaster Relief and Emergency Assistance Amendments of 1989 (Public Law 100-707, sec. 105(i), 42 U.S.C. sec. 5155 (d)).
 - xiv. Payments received under the Carl D. Perkins Vocational Education Act, as amended by the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990 (Public Law 101-392, sec. 501, 20 U.S.C. sec. 2466d).

- xv. Payments pursuant to the Agent Orange Compensation Exclusion Act (Public Law 101-201, sec.1).
- xvi. Payments received for Wartime Relocation of Civilians under the Civil Liberties Act of 1988 (Public Law 100-383, sec. 105(f)(2), 50 App. U.S.C. sec. 1989b-4(f)(2).
- xvii. Value of any child care payments made under section 402(g)(1)(E) of the Social Security Act, as amended by the Family Support Act (Public Law 100-485, sec. 301, 42 U.S.C. sec. 602(g)(1)(E).
- xviii. Value of any "at-risk" block grant child care payments made under section 5081 of Public Law 101-508, which amended section 402(i) of the Social Security Act.
- xix. Value of any child care provided or paid for under the Child Care and Development Block Grant Act as amended (Pub L. 102-586, Sec. 8(b).
- xx. Mandatory salary reduction amount for military service personnel which is used to fund the Veteran's Educational Assistance Act of 1984 (GI Bill), as amended (Public Law 99-576, sec. 303(a)(1), 38 U.S.C. sec 1411 (b).
- xxi. Payments received under the Old Age Assistance Claims Settlement Act, except for per capita shares in excess of \$2000 (Public Law 98-500, sec. 8, 25 U.S.C. sec. 2307)
- xxii. Payments received under the Cranston-Gonzales National Affordable Housing Act, unless the income of the family equals or exceeds 80 percent of the median income of the area (Public Law 101-625, sec. 522(i)(4), 42 U.S.C. sec. 1437f nt).
- xxiii. Payments received under the Housing and Community Development Act of 1987, unless the income of the family increases at any time to not less than 50 percent of the median income of the area (Public Law 100-242, sec. 126(c)(5)(A), 25 U.S.C. sec. 2307).
- xxiv. Payments received under the Sac and Fox Indian claims agreement (Pub. L. 94-189, sec. 6).
- xxv. Payments received under the Judgment Award Authorization Act, as amended (Public Law 97--458, sec. 4, 25 U.S.C. sec. 1407 and Public Law 98-64, sec. 2(b), 25 U.S.C. sec. 117b[b]).

xxvi. Payments for the relocation assistance of members of Navajo and Hopi Tribes (Public Law 93-531, sec. 22, 22 U.S.C. sec. 640d-2l).

xxvii. Payments to the Turtle Mountain Band of Chippewas, Arizona (Pub. L. 97-403, sec. 9)

xxviii. Payments to the Blackfeet, Grosventre, and the Assiniboine tribes (Montana) and the Papago (Arizona) (Pub. L. 97-408, sec. 8 (d)).

xxix. Payments to the Assiniboine tribe of the Fort Belknap Indian community and the Assiniboine Tribe of the Fort Peck Indian Reservation (Montana) (Pub L 98-124, sec 5

xxx. Payments to the Red Lake Band of Chippewas (Pub. L. 98-123, sec. 3)

xxxi. Payments received under the Saginaw Chippewa Indian Tribe of Michigan Distribution of Judgment Funds Act (Public Law 99-346, sec. 6[b][2]).

xxxii. Payments to the Chippewas of Mississippi (Pub. L. 99-337, sec. 4 (b)).

xxxiii. Payments received by members of the Armed Forces and their families under the Family Supplemental Subsistence Allowance form the Department of Defense (Public Law 109-163, sec. 608). See 2.04 Attachment A (Military Pay).

xxxiv. Payments received by property owners under the National Flood Insurance Program (Pub. L. 109-64)

xxxv. Payments received from the Economic Stimulus Act of 2008

15. **Income Reassessment:** Clients shall be terminated in the middle of a certification period if a reassessment of their income exceeds the WIC guidelines and the client has more than 90 days left in his/her certification period. This may result from an increase in income and/or a decrease in family size.

This reassessment can only be performed if the client notifies the agency of changes in family size or income during the certification of other family members, or by other clients or interested parties. The agency must not solicit this information selectively or randomly. The WIC staff should tell each client at certification intake to notify the WIC Program when income or family size changes during the certification period (See Policy 2.21 Mid-certification Income Assessment).

References:

7 CFR Part 246.7(d)
WIC Policy Memorandum #99-4, dated 3/11/99 (Strengthening Integrity in the WIC Certification Process)
WIC Policy Memorandum #2002, (WIC Income Eligibility Determinations for households affected by Privatization of On-Base Military Housing).
WIC Interim Final Rule 3/3/08

Cross-references:

2.05 Income Guidelines
2.06 Adjunct Income Eligibility
2.07 Declaration of No Income
2.08 Family Size
2.12 Migrant Family Eligibility
2.17 Certification Periods
2.20 Notice of Ineligibility, Mid-Certification, Termination and Expiration of Certification
2.21 Mid-certification Income Assessment

Exhibits:

2.04 A- Income Eligibility Requirement-Military Pay